

APRIL 2016

Are older Americans healthy enough to work longer?

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Should people in the United States work longer since they are living longer, with women now living to be approximately 81 and men 76? Better yet, maybe the question that needs to be asked is, “Do older Americans have the health capacity to work longer?” Courtney Coile, Kevin S. Milligan, and David A. Wise discuss this question in their paper, “[Health capacity to work at older ages: evidence from the U.S.](#)” (National Bureau of Economic Research, working paper no. 21940, January 2016).

Currently, employment drops off rapidly once people reach their 60s, but, according to the authors, health tends to decline “steadily but quite gradually with age.” With increases in the Social Security retirement age and with some talk of a possible higher eligibility age for Medicare, the authors feel that older people’s health capacity to work longer is indeed a topic worth investigating.

They do so by considering two methods of analysis: first they calculate what the employment rate of today’s seniors would be if they were to work as much as people with their mortality rate did in the past—that is, the researchers apply the employment rate of somewhat younger people during an earlier time period to today’s seniors. The second method looks at how much older workers at a given health level could work if they worked as much as younger workers with the same health level. Results from both methods suggest “most people are healthy enough to work longer than they do now.” The authors also break down the second method into subcategories: education and self-assessed health (SAH) by education level. The education subcategory revealed that educated women have a greater capacity to work longer; the additional work capacity of men, however, did not vary much by education subcategory. SAH subcategory outcome showed that people with higher education self-assessed their health at substantially higher levels than did similarly educated people in the past, and thus have more capacity than the less educated to work longer.

More specifically, the authors conclude that the majority of older workers “are healthy enough to work another year or two if they must.” However, the authors note that before policymakers pass laws raising the age levels of various programs, they should consider not only healthy people but also those with disabilities and other health conditions. Provisions need to be included for those with poor health. Second, many people value their “leisure time” and may not want to work longer, so the authors intend their discussion to be about only “modest changes” to program policies.